

**CITY OF LODI
INFORMAL INFORMATIONAL MEETING
"SHIRTSLEEVE" SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, APRIL 13, 2004**

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, April 13, 2004, commencing at 7:00 a.m.

A. ROLL CALL

Present: Council Members – Beckman, Hitchcock, Howard, Land, and Mayor Hansen

Absent: Council Members – None

Also Present: City Manager Flynn, Interim City Attorney Schwabauer, and City Clerk Blackston

B. CITY COUNCIL CALENDAR UPDATE

City Clerk Blackston reviewed the weekly calendar (filed).

C. TOPIC(S)

C-1 "Employee medical insurance"

City Manager Flynn reported that approximately four weeks ago the City was notified that primary care physicians would no longer be contracting with Delta IPA. The same situation had previously taken place with specialist physicians in Lodi. Human Resources Director Narloch contacted the California Public Employees' Retirement System (CalPERS) and informed them that this was unacceptable. Late last week an agreement was made between the physicians and Delta IPA. The question remains as to what course of action the City should take in the future. Mr. Flynn reminded Council that a large number of retirees depend on CalPERS. He anticipated this issue being placed on a Council agenda in September for discussion of alternatives.

Human Resources Director Narloch stated it was her understanding that the primary care physicians, specialists, and the hospital have come to an agreement with Delta IPA through the end of this calendar year only. She reported that in an effort to address health care difficulties, cities have united under the umbrella of the League of California Cities, as well as forming small coalitions to examine the issue. A main concern has been the lack of responsiveness from CalPERS to public agencies. CalPERS recently amended its policy to stipulate that if a city opts out of its health plan, it cannot be added back in for a period of five years. There has also been a concern between northern and southern California cities as to how costs are allocated. Southern cities have supported regional ratings. It would be in the best interest of all cities for CalPERS to incorporate the regional rating, because if the southern cities leave CalPERS, northern cities would be paying more for premiums. This matter will be decided by the CalPERS Board next Tuesday. Within the next two months CalPERS will be announcing the rates for next year. Agencies have 60 days from the release of the rates in which to opt out of CalPERS. This action would need to be done by City Council resolution. Ms. Narloch reported that the City's insurance broker has information relative to costs for sole-source agreements with various providers. Another option that cities are exploring is forming Joint Powers Authorities.

In response to Mayor Hansen, Mr. Flynn explained that one of the problems is how CalPERS goes about forming its pool of medical care providers. As a result Lodi pays rates which incorporate costs for San Francisco physicians; however, local care providers receive a lesser amount in reimbursement. He also reported that local physicians have been unable to discern who is in charge of Delta IPA or what its bylaws are.

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Council Member Howard believed that a Preferred Provider Organization would address many of the concerns over the long term. She acknowledged there would be an increased cost which would require continuing participation in cost sharing by employees.

D. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

None.

E. ADJOURNMENT

No action was taken by the City Council. The meeting was adjourned at 7:25 a.m.

ATTEST:

Susan J. Blackston
City Clerk

Mayor's & Council Members' Weekly Calendar

WEEK OF APRIL 13, 2004

Tuesday, April 13, 2004

- 7:00 a.m. Shirtsleeve Session
 1. Employee medical insurance (HR)
- 7:00 a.m. Special Closed Session Meeting.
- 11:00 a.m. **Hansen.** Groundbreaking of the Salvation Army Hope Harbor, 622
North Sacramento Street.

Wednesday, April 14, 2004

- 5:00 p.m. Special Joint City Council Meeting with the Lodi Parks and Recreation
Commission, Meet at Lodi Transit Station, 24 South Sacramento Street - for parks tour.

Thursday, April 15, 2004

Friday, April 16, 2004

- 10:00 a.m. San Joaquin Local Agency Formation Commission (LAFCo) Public
Hearing for proposed LAFCo preliminary budget for the 2004-05 Fiscal
year, Board of Supervisors Chambers, 7th floor Courthouse, 222 East
Weber Avenue, Stockton.
- 6:00 p.m. Chamber of Commerce School Street Stroll, Downtown.

Saturday, April 17, 2004

- 10:00 a.m. City of Stockton Waterfront Entertainment Center Groundbreaking
Ceremony, corner of Fremont Street and Madison Street.

Sunday, April 18, 2004

Monday, April 19, 2004

- 6:00 p.m. Special Joint City Council Meeting with the Lodi Arts Commission,
Hutchins Street Square ~ Crete Hall.

Disclaimer: This calendar contains only information that was provided to the City Clerk's Office.

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